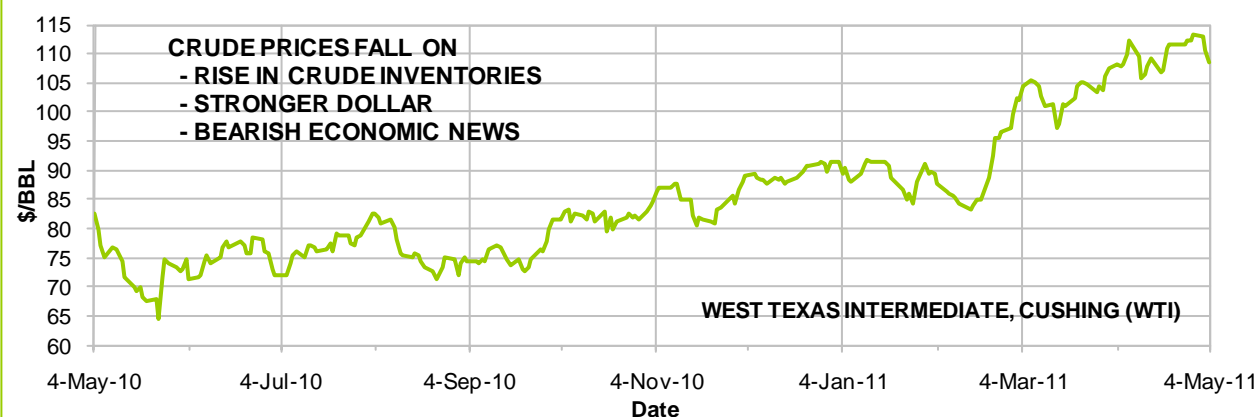


## Crude Oil



Although imports fell, an increase in production and a decline in crude flowing to refineries (refinery utilization rates were at their lowest level ever for this date) led to a 3.4 million barrel increase in crude inventories this past week. The gain was 30% larger than the 5-year average and 70% more than the expected increase. Inventories have improved to 1.8% above last year and 5.2% above the 5-year average. They are at their third highest level ever for this date.

Larger than expected crude inventory gains, a stronger dollar, and bearish economic news sent crude prices lower this week. Futures and spot prices declined by \$3.34 and \$3.52 as they fell below \$110 for the first time in 2 weeks. Futures prices settled at \$109.96, \$21.31 (24.0%) higher than a year ago. Spot prices fell to \$108.67, \$25.96 (31.4%) higher than last year. Futures and spot prices had risen more than \$30 per barrel over the past 5 months. They are at 31 month highs, only 25% (\$36) below their 2008 peak prices.

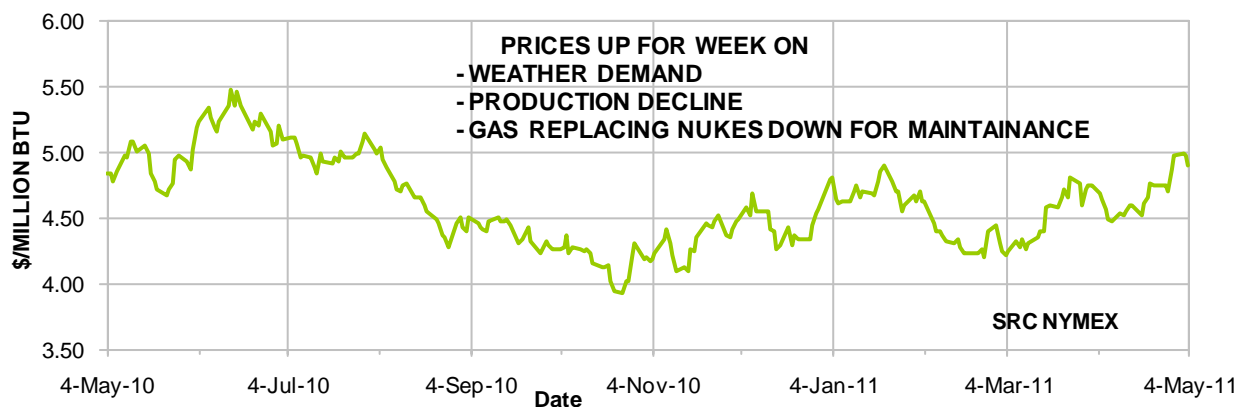


## Natural Gas



Natural gas inventories grew by 72 BCF this past week. This was 7% more than the expected 67 BCF gain but 8% less than the 5-year average gain of 78 BCF. With a stock injection of 83 BCF for this time period last year, this week's 1,757 BCF inventory level has worsened to 11.4% below last year's record high level and to 1.0% below the 5-year average. Cumulative injections this year are running 47% below last year and 17% below the 5-year average.

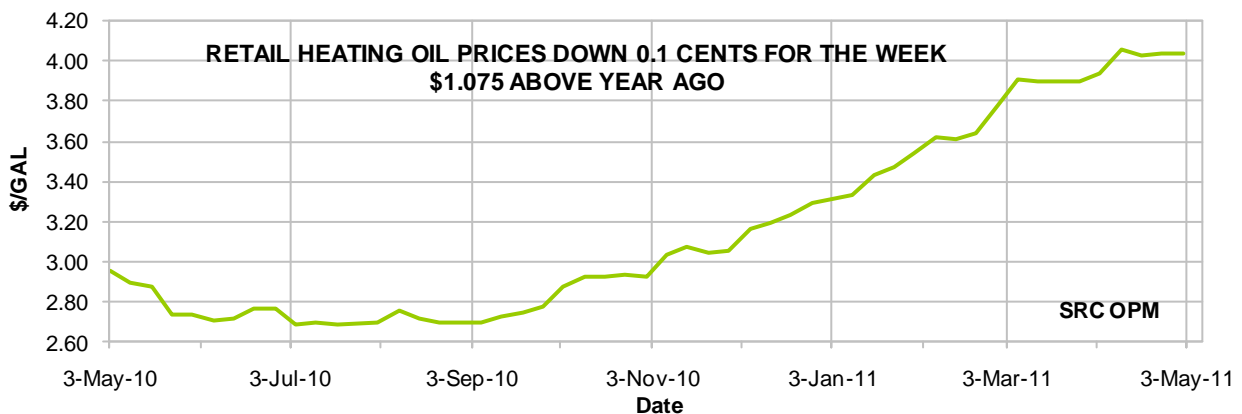
Natural gas prices rose this past week because of increased weather related demand, last week's bullish inventory report, and an increase in gas used for electric generation. Natural gas futures prices rose by 18.7 cents per million BTU and spot prices gained 25.0 cents. At \$4.898, futures prices are 5.5 cents (1.1%) higher than a year ago but 63.3% below their 2008 peak. Spot prices are at \$4.590 per million BTU. They are 64.0 cents (16.2%) higher than a year ago but are 65.5% below their 2008 peak. According to census data, 31% of dwelling units in Connecticut heat with natural gas.





Inventories fell by 1.4 million barrels this past week. Both the 5-year average and expectations were for a gain of 0.6 million. Inventories are at their third highest level ever for this date. At 14.1% above the five-year average they trail only 2009 and 2010.

Lower crude prices pushed distillate prices down this week. Futures prices fell by 9.9 cents and settled at \$3.210/gal, 82.6 cents (34.7%) above last year but \$0.985 (23.5%) below 2008's peak. Spot prices fell by 11.5 cents. They settled at \$3.120/gal, \$0.864 (38.3%) above last year but \$0.960 (23.5%) below the 2008 peak. Retail prices fell by 0.1 cents this week. Prices are now at \$4.033/gal, the highest ever for this date and \$1.075 (36.3%) above a year ago. Prices are only \$0.733 (15.4%) below their 2008 peak. The highest price in this week's survey was \$4.799 and the lowest was \$3.649. Prices are at August, 2008 levels. According to census data, 49.1% of dwelling units in Connecticut heat with oil.



## Connecticut Regional Heating Oil Prices

	FAIRFIELD			HARTFORD			NEW LONDON		
	AVG	HIGH	LOW	AVG	HIGH	LOW	AVG	HIGH	LOW
3-May-10	3.128	3.749	2.640	2.904	3.199	2.549	3.121	3.749	2.799
18-Apr-11	4.148	4.799	3.740	4.060	4.399	3.649	3.945	4.080	3.740
25-Apr-11	4.148	4.799	3.740	4.066	4.399	3.649	3.931	4.070	3.790
2-May-11	4.143	4.799	3.740	4.042	4.399	3.649	3.925	4.070	3.690
	LITCHFIELD			MIDDLESEX			TOLLAND-WINDHAM		
	AVG	HIGH	LOW	AVG	HIGH	LOW	AVG	HIGH	LOW
3-May-10	2.929	3.079	2.799	2.998	3.099	2.890	2.846	2.949	2.669
18-Apr-11	4.053	4.159	3.899	4.074	4.199	3.840	3.941	4.049	3.849
25-Apr-11	4.027	4.129	3.899	4.078	4.199	3.840	3.918	4.029	3.789
2-May-11	4.043	4.149	3.899	4.108	4.199	3.940	3.911	3.999	3.789
	NEW HAVEN			OPM conducts a weekly survey of retail heating oil prices in Connecticut. These figures reference the most recent results of that survey for the reporting week beginning May 2, 2011. Figures reflect per gallon prices without discount.					
	AVG	HIGH	LOW						
3-May-10	2.861	3.169	2.639						
18-Apr-11	3.931	4.249	3.639						
25-Apr-11	3.978	4.249	3.659						
2-May-11	3.986	4.269	3.679						

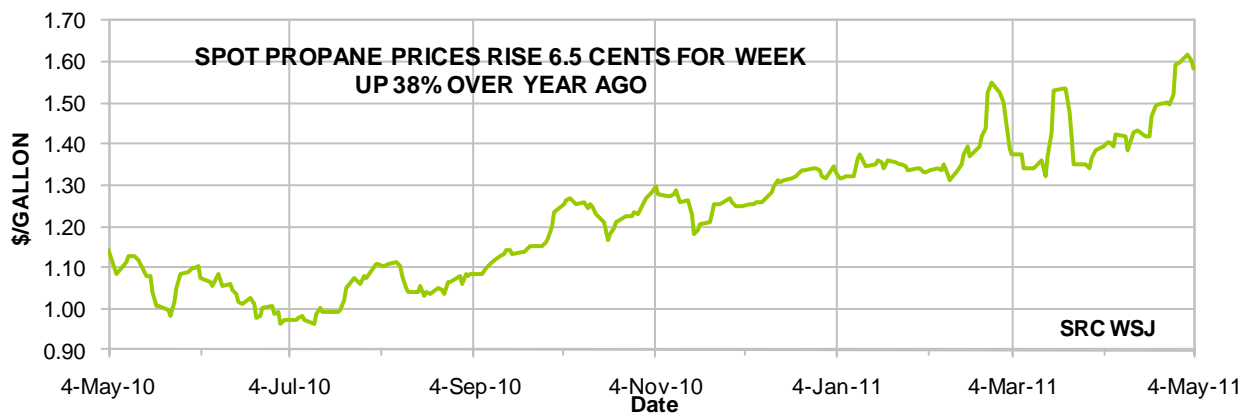
For more information, see [www.ct.gov/OPM](http://www.ct.gov/OPM) > Energy Management > Energy Price and Supply Information

# Propane



Inventories rose by 1.3 million barrels this week as increases in production and a decline in demand offset a fall in imports. This week's inventory growth compares to the 5-year average weekly gain of 1.7 million barrels and an increase last year of 2.0 million. As a result, inventories have further deteriorated to 22.8% less than last year and to 19.7% below the 5-year average.

Spot propane prices followed natural gas prices upward this past week, growing by 6.5 cents/gallon. They have increased by 17.9 cents over the previous 4 weeks and by 33.8 cents over the past 5 months. At \$1.584 per gallon, spot prices are 43.9 cents (38.4%) higher than a year ago but they are 20.0% lower than their peak 2008 price. The usual reporting of Connecticut retail propane heating prices has been discontinued for the season but will resume in October. According to census data, propane is used to heat 2.7% of homes in Connecticut.



# Gasoline



Although demand remains weak because of high prices, production declines led to another week of falling inventories. Inventories have fallen for 11 straight weeks for a total decline of 36.5 million barrels. They were down 1.0 million barrels this week compared to an expected drop of only 0.5 million and a 5-year average gain of 0.1 million. Inventories levels have worsened to 9.0% below last year and 2.1% less than the 5-year average.

Futures and spot prices followed crude downward this week, falling by 10 cents/gal. Futures are at \$3.077, \$0.776 (33.7%) higher than last year but \$0.534 (14.8%) below their 2008 peak. Spot prices fell to \$3.218/gal. They are \$0.998 (44.9%) higher than a year ago. Spot prices are 5.7% (\$0.193) below their 2008 peak. Connecticut retail prices rose another 10.6 cents/gal this past week. At \$4.268, prices are \$1.183 (38.3%) higher than a year ago. They have risen by \$1.281 in the past 6 months and are only 12.2 cents below their 2008 all time high of \$4.390.

